

**1998**

**Annual  
Report  
to the  
Legislature**

**May  
1999**



**Washington State  
Health Care Authority**

HCA 62-100 (5/99)

# Overview of the Health Care Authority

## The HCA mission

Provide access to quality, affordable health care coverage.

### Key Initiatives

- ◆ We listen and respond to our customers.
- ◆ We use resources efficiently and effectively to earn public trust.
- ◆ We are a reliable source of information for health policy issues.
- ◆ We have a work environment which promotes mutual respect; positive, open communication; and employee potential.

## Executive Management

**Gary L. Christenson**  
Administrator

**Judy Lamm**  
Executive Assistant

**Beau Bergeron**  
Deputy Administrator

**Bob Blacksmith**  
Acting Executive Director  
Contracting and Procurement  
Section

**MaryAnne Lindeblad**  
Assistant Administrator  
Public Employees Benefits  
Board Program

**Rebecca Loomis**  
Assistant Administrator  
Washington Basic Health Plan

**Glenn Raiha**  
Assistant Administrator  
Finance and Administration

**Dick Whitten, M.D.**  
Medical Director

**Vicki Wilson**  
Assistant Administrator  
Healthy Policy, Research and  
Development

**Ida Zodrow**  
Assistant Administrator  
Uniform Medical Plan

## Public Employees Benefits Board

**Gary L. Christenson, Chair**  
Health Care Authority  
Administrator

**Stephen Brown\***  
K-12 Representative

**Helen Carlstrom**  
K-12 Retiree Representative

**Greg Devereux**  
State Employee Representative

**Sally Fox**  
Benefits Management/Cost  
Containment Representative

**Eugene Lux**  
State Retiree Representative

**Gary Robinson**  
Benefits Management/Cost  
Containment Representative

**Richard D. Rubin\***  
Benefits Management/Cost  
Containment Representative

**Yvonne Tate**  
Benefits Management/Cost  
Containment Representative

\*Nonvoting member

## Basic Health Plan Advisory Council

**Edmund W. Gray, M.D.**  
Chair

**Andrea Castell**  
Castell & Associates

**Aubrey Davis**  
Formerly with Group Health  
Cooperative

**William Dowling, Ph.D.**  
University of Washington

**Otis Gillaspie**  
William Mercer

**Lance Heineccius**  
Health Services Consultant

**John A. Moyer, M.D.**  
Former Washington State  
Senator

**Marc Provence**  
University of Washington

**Robby Stern**  
Washington State Labor Council

**Grace Wang, M.D., M.P.H.**  
Seattle-King County  
Department of Public Health

## Health plans offered for PEBB and Basic Health enrollees (as of December 31, 1998)

Plan Choice	PEBB Total Enrollees	Basic Health Total Enrollees
Blue Cross		
of Washington and Alaska <sup>1</sup>	Not Offered	21,715
Clark United Providers	Not Offered	6,268
Community Health Plan		
of Washington	136	31,560
Group Health Cooperative		
of Puget Sound <sup>2</sup>	81,524	26,486
Group Health Northwest <sup>2</sup>	Not Offered	9,373
HealthPlus <sup>3</sup>	8,814	Not Offered
HMO Washington <sup>4</sup>	3,086	Not Offered
Kaiser Foundation Health Plan		
of the Northwest	4,930	10,003
Kitsap Physicians Service	2,753	5,271
Medical Service Corporation		
of Eastern Washington <sup>1</sup>	11,445	12,682
Medicare Supplement Plan E	1,255	Not Offered
Medicare Supplement Plan J	5,692	Not Offered
NYLCare Health Plans Northwest <sup>5</sup>	5,868	39,554
Options Health Care	7,250	Not Offered
PacifiCare of Washington	28,658	Not Offered
Providence Health Care <sup>6</sup>	Not Offered	31,646
Qual-Med Health Plan	35,308	4,676
Regence BlueShield	24,213	14,316
SelectCare Health Plans <sup>7</sup>	1,475	Not Offered
Skagit County Medical Bureau <sup>8</sup>	1,895	4,222
Uniform Medical Plan	67,611	Not Offered
Virginia Mason Health Plan <sup>9</sup>	8,413	Not Offered
Whatcom Medical Bureau <sup>8</sup>	2,777	4,384
<b>Total</b>	<b>303,103</b>	<b>222,156</b>

<sup>1</sup> For 1999, Blue Cross of Washington and Alaska merged with Medical Service Corporation of Eastern Washington, forming Premera Blue Cross.

<sup>2</sup> In late 1998, Group Health Northwest merged with Group Health Cooperative of Puget Sound, forming Group Health Cooperative of Puget Sound.

<sup>3</sup> For 1999, HealthPlus changed its name to Premera HealthPlus.

<sup>4</sup> For 1999, HMO Washington changed its name to RegenceCare.

<sup>5</sup> For 1999, NYLCare Health Plans Northwest changed its name to Aetna U.S. Healthcare of Washington, Inc.

<sup>6</sup> Providence Health Care withdrew from the Basic Health Plan in 1999.

<sup>7</sup> For 1999, SelectCare Health Plans changed its name to Providence Health Plans.

<sup>8</sup> For 1999, Skagit County Medical Bureau and Whatcom Medical Bureau merged to form Northwest Washington Medical Bureau.

<sup>9</sup> For 1999, Virginia Mason Health Plan changed its name to Aetna U.S. Healthcare Inc.

# 1998 Major Highlights

## Open enrollment challenges and successes

In 1998, the Health Care Authority (HCA) faced unanticipated contracting hurdles for both its Basic Health and Public Employees Benefits Board (PEBB) programs. The dissolution of a large provider network in Eastern Washington and the withdrawal of health plans from several counties threatened to leave some members with little choice of health plans, or no choice at all.

Fortunately, the HCA was able to negotiate with one of the Basic Health plans, Qual-Med Health Plan, to return to Spokane and Lincoln counties, where it appeared that there would be a shortage of health plans. Affected enrollees were given an extended period to choose a health plan for 1999, and no one lost coverage due to the service area changes. Basic Health remains in all 39 Washington counties, and is able to accept new members.

The HCA—concerned about providing an adequate number of health plans in each county, as well as providing access to health care in rural and underserved areas of Washington State—took several steps to address these issues:

- ◆ Coordinated the Managed Care Leadership Summit in late 1998, to meet with health plan executives and other interested groups to discuss short- and long-term strategies for the continued viability of Basic Health, as well as concerns for the individual insurance market; and
- ◆ Examined alternative purchasing strategies and developed recommendations for providing access to health care in rural and underserved areas.

## Consumer Assessment of Health Plans Study (CAHPS)

To provide better purchasing information for enrollees, the HCA surveyed nearly 16,000 state and higher education employees in 1997 about their experiences with health plans that contracted with the PEBB. The results were published and used by public employees to select health plans for 1998 coverage. A subsequent evaluation found that most enrollees used the consumer report, thought it was easy to read, and said it was very or somewhat helpful in learning about differences in quality among the health plans.

In 1998, the HCA decided to expand the surveyed group to include PEBB retirees for its 1999 survey, to be used by all PEBB members during the open enrollment period for 2000.

More information on CAHPS can be found on the HCA's Web site at [www.wa.gov/hca](http://www.wa.gov/hca), by visiting the Public Employees Benefits Board home page.

## Outpatient Prospective Payment System (OPPS) project

The HCA, Department of Labor and Industries, and Department of Social and Health Services' Medical Assistance Administration (MAA) have worked with stakeholders to develop an Outpatient Prospective Payment System (OPPS). The agencies' goals are to develop and implement a uniform reimbursement methodology for the outpatient services they purchase, and access useful data from providers to analyze current and future outpatient utilization.

The HCA is the lead agency with responsibility for contract management and consultant contracting, as well as systems development and implementation for the Uniform Medical Plan. Staff from the three agencies have analyzed data to determine what types of providers and services should be included for reimbursement under this new system. Reimbursement levels will be developed by mid-year 1999; training and provider education will begin shortly thereafter for implementation in mid-year 2000.

More information on the OPPS project can be found on the HCA's Web site at [www.wa.gov/hca](http://www.wa.gov/hca), by selecting "What's New" on the Health Care Authority home page.

## Health status risk adjustment

In 1998, the HCA started using refined risk assessment methodology to adjust HCA's payments to health plans for PEBB members. Previously, the relative risk to contracting health plans was calculated solely on demographic characteristics (age, gender, member status, and family type) of each plan's enrollees. This new methodology—which includes these characteristics, as well as enrollees' COBRA and retiree status and recent diagnostic experiences—encourages enrollment of all risk classes by more accurately reflecting the relative risk of enrolled populations in the payments made to health plans. The HCA is a national leader in using enrollee health status to appropriately reimburse its health plans.

## Retiree access study

As directed by the Legislature, the HCA published the *Retiree Access Study*, which accomplished two objectives:

- ◆ Studied the changing retiree demographics and identified the potential impacts on access and finances for the state; and
- ◆ Reviewed alternative eligibility policies to increase state and school district retiree access to health coverage in the PEBB program, and the resulting fiscal impacts.

The report was submitted to the Governor and Legislature for future consideration in changes to PEBB retiree eligibility policies.

## Purchaser advisory group

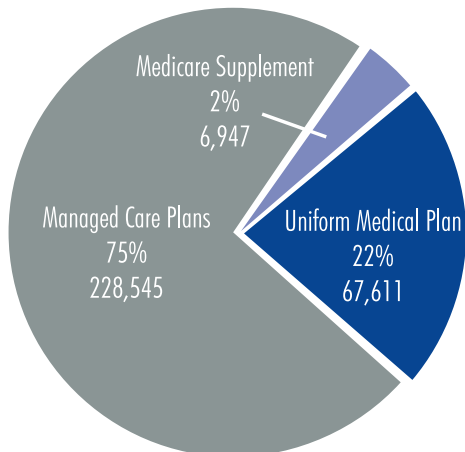
In 1998, the HCA became a founding member of the Purchasers' Advisory Group, a coalition of private purchasers, state and federal purchasers, and health plans. Its purpose is to work collaboratively and cost-effectively to ensure health plan accountability to consumers.

# Public Employees Benefits Board

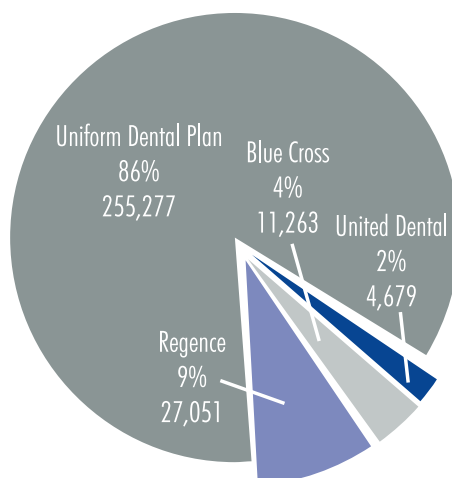
## PEBB focuses on improved customer service

Throughout 1998, PEBB focused on customer service improvements in several areas of the program. Focus groups were conducted in several parts of Washington State to find out what benefit modifications PEBB employees and retirees would favor in coping with rising health care costs. The PEBB program also became actively involved with the Department of Retirement Systems pre-retirement seminars, sending PEBB representatives to the seminars to talk with employees about their health benefits upon retirement.

## Medical plan enrollment



## Dental plan enrollment



Percentages may not equal 100 percent due to rounding.

To find out if the annual open enrollment materials were helpful to active employees and retirees in understanding their health insurance options for the following plan year, active employees and retirees throughout the state were surveyed on the reading materials. After assessing the responses, PEBB is looking forward to modifications in its materials for plan year 2000 open enrollment. Several open enrollment benefits fairs were added in 1998, giving enrollees additional access to HCA and health plan representatives.

In keeping up with the rapid growth of the Internet, PEBB expanded its portion of the HCA Web site throughout 1998. The PEBB home page grew from a simple Web site page with general information about the PEBB program to a valuable resource page with links to PEBB publications, current health plan and benefit information, and retiree lawsuit and life insurance lawsuit information.

## Increased rates for employees, retirees in 1999

In general, PEBB enrollees faced increases in premiums for 1999 coverage, although Medicare retirees faced the highest increases—up 31 percent over 1998 premiums. While the non-Medicare rates the HCA paid to the health plans in 1999 increased by an average of nearly 11 percent over 1998, Governor Locke approved using the \$3.8 million in PEBB contingency reserves to maintain benefits and hold down state active members' contributions.

## New long-term care product

As directed by the Legislature, in May 1998 the HCA released an optional long-term care product to state employees, retirees, and their parents through John Hancock Mutual Life Insurance. Open enrollment continued through November. Although more than 1,800 individuals signed up for the long-term care program, John Hancock answered 18,000 telephone calls—demonstrating the HCA fulfilled its role of not only enrolling public employees and their families in the new program, but educating them about long-term care insurance.

## Retiree and life insurance lawsuits

In July 1998, the Thurston County Superior Court approved a \$42.5 million lawsuit settlement between the Retired Public Employees Council of Washington and the HCA on behalf of Medicare retirees who were enrolled in the Uniform Medical Plan. The lawsuit claimed premiums were overcharged due to a miscalculation for Washington State retirees enrolled in both the UMP and Medicare between July 1, 1988 and December 31, 1994. More than 16,000 enrollees were included in the class action settlement, and those who returned a valid claim form received \$35 for each enrollment month. At the end of March 1999, unclaimed funds were distributed evenly to members who returned a valid claim form.

Negotiations are continuing for a life insurance lawsuit involving actions by the 1992 Washington State Legislature, which set aside \$8.3 million from the PEBB life insurance reserve account and placed it into the state's General Fund. The lawsuit, filed in August 1994 by the Federation of State Employees, claims that \$7.9 million actually belonged to state employees.

## Loss of dental provider

Public employees and retirees enrolled in the managed care dental plan, Blue Cross of Washington and Alaska, during 1998 needed to choose a different dental plan for 1999 coverage. Blue Cross of Washington and Alaska, which recently became Premera Blue Cross, chose not to contract with the HCA for the 1999 plan year. The 4,000 subscribers in the Blue Cross dental plan selected one of the three other dental plans offered for 1999 coverage—Regence BlueShield Dental Plan, United Dental Care of Washington, Inc., or the state's own Uniform Dental Plan. With hopes to add a managed care dental plan to the options available for PEBB enrollees, the HCA is currently preparing a request for proposals for plan year 2000.

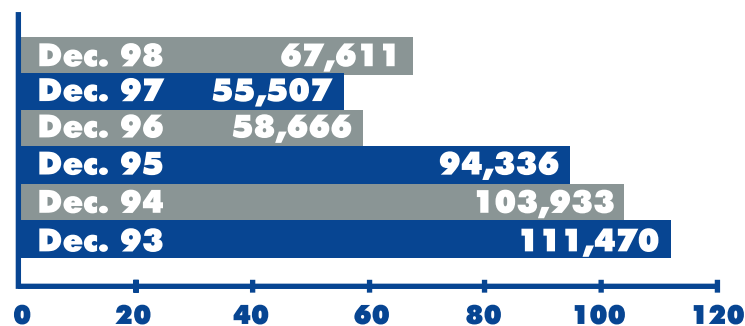
# Uniform Medical Plan (UMP)

## Uniform Medical Plan

The Uniform Medical Plan (UMP) is a self-funded, preferred provider plan administered by the Health Care Authority and is the only preferred provider plan available to PEBB members. The preferred provider network consists of: 89 acute care hospitals, more than 9,000 physicians, 115 skilled nursing facilities, 41 alcohol/chemical dependency facilities, 94 ambulatory surgical centers, 163 durable medical equipment suppliers, 84 home health/hospice facilities, 116 naturopathic physicians and acupuncturists, and more than 4,000 limited-license physicians/non-physicians. This represents the largest network of its kind in the state.

For 10 years, the UMP has offered PEBB enrollees their only alternative to managed medical care. During much of that time the program enjoyed high enrollment, attracting 35 to 40 percent of potential enrollees. However, over a seven-year period, the UMP steadily lost enrollment, culminating in 1997 when active state employees began paying a portion of their monthly premiums. At that point, the UMP worked to make the product more affordable, offered more providers, and improved customer service. These efforts increased enrollment by 11,000 new members in 1998 and 2,000 more in 1999.

## Uniform Medical Plan enrollment history



Number of enrollees (in thousands)

## Cost savings and cost effectiveness

At a time when national prescription drug costs were rising 12 to 17 percent, the UMP managed to hold down its increases to the 7 percent range in 1998 through several, one-time program changes:

- ◆ A voluntary formulary in which enrollees were educated as to what drugs are cost and clinically effective, and how the UMP selected these drugs—based on costs, client needs, and claims experience.
- ◆ Encouraging the use of generic drugs through the UMP's plan design, which offers enrollees a higher benefit level for choosing generic prescription drugs.
- ◆ Adoption of a national standard for generic drug payments, which helps the program control costs when purchasing prescription drugs.

## Other cost savings and efficiencies accomplishments:

- ◆ A subrogation audit was implemented in 1998 to recover costs that should have been paid by another party. A total of \$260,000 was recovered on behalf of the UMP and its enrollees. Additionally, a hospital audit program was initiated, and prospects are excellent for a similarly successful report.
- ◆ Claims processing and payments showed marked improvement in 1998. A total of 97.5 percent of claims were processed within 14 days (from 85 percent in 1997), the highest in the state.
- ◆ A drug utilization review program was also implemented in 1998. The first program focused on antidepressants, with notifications going to providers who prescribed the drugs for a longer period than that suggested by medical experts. The program was expanded in 1999 to include other types of drugs.

## Increased access to providers

- ◆ All acute care hospitals and certified ambulatory care centers in the state now contract with the UMP. No other health plan can say that. In addition, 98 percent of all pharmacies and the majority of multi-specialty clinics are now under contract with the UMP.
- ◆ When several major health plans ended their relationship with a popular clinic in Snohomish County, the UMP stepped in. After intense negotiations, the UMP established a contract allowing hundreds of PEBB enrollees to keep their doctors.
- ◆ Altogether in 1998, the UMP added more than 2,000 new providers to its network, making it the largest provider network in the state. The program has placed a particular emphasis on bringing in more masters-level mental health providers and alternative medicine providers.

## Improved customer service

- ◆ The UMP made a concerted effort to go out and meet their customers. In 1998, the UMP maintained a high visibility at benefit fairs during the open enrollment period. The UMP's high level of customer service was demonstrated in a survey of PEBB enrollees in which the UMP's rating was among the top three scores for customer satisfaction. More than 98 percent of UMP enrollees have further demonstrated their satisfaction by remaining with the program for at least two years.
- ◆ Using their process improvement training, the UMP staff developed new procedures for handling correspondence relating to appeals, enhancing both efficiency and quality. In addition, the credentialing department has implemented a streamlined procedure for handling returned mail, and the provider services staff has begun a system which will allow them to track and evaluate all contacts with providers.



# The Washington Basic Health Plan

The Washington Basic Health Plan is a state-sponsored program for Washington State residents who are not eligible for Medicare. Members pay a portion of their monthly premium cost, which varies depending on income, age, family size, and choice of health plan. The state offers reduced premiums for those with lower incomes. Basic Health is funded primarily through taxes collected on cigarettes and alcohol. Basic Health *Plus* is a Medicaid program for children in low-income households. It provides added benefits, with no copayments or premiums.

## End of reservation list

Starting in May 1998, Basic Health was again able to process applications for coverage without a wait. A reservation list had been in effect since September 1996 for the subsidized program. A challenge for 1998 was getting the word out that Basic Health is immediately available, and continues to be affordable.

## Customer service improvements

Basic Health made great strides toward creating **more accessible and user-friendly materials** during 1998.

More Basic Health information and publications were added to the HCA Web site ([www.wa.gov/hca](http://www.wa.gov/hca)). Also, the *Basic Health Member Handbook* was translated into Spanish for the first time.

In May, Basic Health included a **customer questionnaire** with all application packets. The questionnaire focused on application materials. More than 600 responses were received. Much of the feedback was positive; the highest percentage of respondents rated the materials "very easy" to use. Improvements based on the comments are being incorporated as materials are updated.

Members were introduced to the **personal eligibility statement (PES)**, which replaced several letters used by Basic Health to verify changes to member accounts. The PES consolidated various account changes, including income changes, adding or removing dependents, health plan change

verifications, and any outstanding premium balances, into an easy-to-read format. This statement enables members to see a snapshot of their account and any change to their monthly premium. It also eliminates supplemental billings, and will ultimately replace nearly 100 letters.

Each year, Basic Health sends approximately 45,000 **packets to members with family/account changes**. During 1998, this system was automated, reducing the time it took to generate the packet from four days to overnight. This new system further capitalized on Basic Health's investment in IVR (interactive voice response phone system), and has significantly reduced phone traffic to Basic Health's member line.

A **new 24-hour, seven-days-a-week self-service line** was added to assist with the more than 815,000 calls received by Basic Health in 1998. The call center also added toll-free numbers for members who speak Spanish, Korean, Vietnamese, or Russian.

Basic Health greatly expanded the use of **imaging technology** during 1998. This means customers can get immediate answers to questions, since their account information is accessible on benefits specialists' computer screens. Previously, members had to wait for a return call while employees searched through paper files.

## Open enrollment

During open enrollment, members had fewer health plans to choose from due to mergers and the withdrawal of Providence Health Care. There were 10 plans available for 1999 coverage, reduced from 14 in 1998. About one-third of Basic Health's population changed health plans during open

enrollment. Fortunately, most reduced-premium program members did not see premium increases.

## Recertification/Data matching

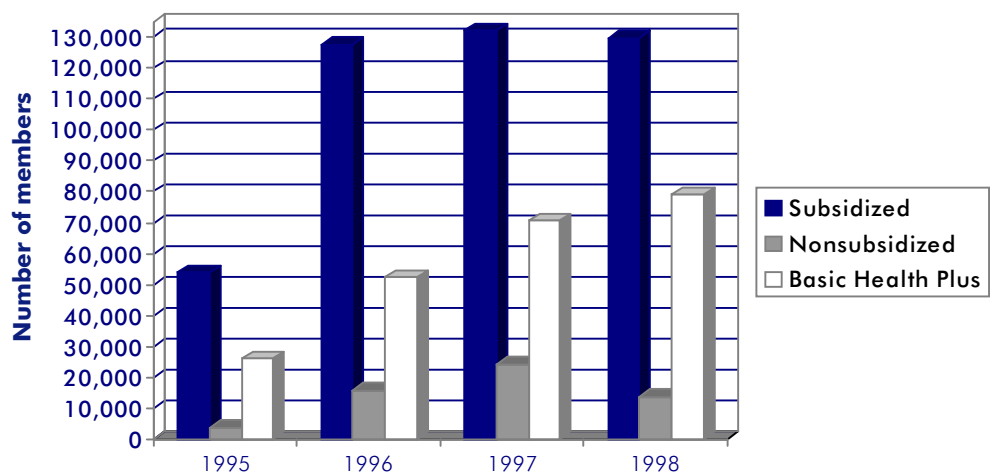
Recertification is the process of verifying that members pay the correct premium amount, and that the state pays the appropriate subsidy, based on the family's income and other factors. In August, Basic Health began to confirm member-reported income information with the Employment Security Department. This automated process effectively targets accounts for recertification, and identifies members who may owe additional premiums. Basic Health easily achieved the Legislature's goal to recertify 1,000 enrollees. In fact, newly developed efficiencies have resulted in the recertification of as many as 1,250 members per month.

## Nonsubsidized issues

A challenge during 1998 dealt with increasing premiums for Basic Health's nonsubsidized members (those who pay the entire cost of coverage). Premiums increased for a number of reasons: higher prescription drug costs; providers are reimbursed more; and many people join because of an immediate need for medical care, then leave Basic Health. This costs the health plans more money, and impacts the premiums for all Basic Health members.

During open enrollment, nonsubsidized members were told their average premium would increase by 61 percent for 1999. Enrollment in this program dropped from approximately 25,000 in November 1997 to less than 8,000 at the end of 1998's open enrollment period.

## Basic Health enrollment growth



# Primary Health Care Services

The mission of the Health Care Authority's Primary Health Care Services (PHCS) is to promote access to prevention and illness care for underserved and uninsured low-income populations in Washington State. The program targets populations at or below 200 percent of the federal poverty level who do not have access to other health care coverage.

To accomplish this mission, the PHCS section:

- ◆ Distributes more than \$6 million annually in state funding for medical, dental, and migrant grant funding to 32 community clinics, which provide prevention and illness care through more than 100 delivery sites in 26 counties.
- ◆ Provides technical assistance, consultation, education, and training to contracted clinics and potential new clinics.
- ◆ Collects, analyzes, and distributes health-related data supplied by the clinics.
- ◆ Fosters support and shares information regarding community clinic medical, dental, and migrant services with other state agencies.

The clinics represent a network of community and migrant health centers, public hospital-affiliated clinics, and local public health jurisdictions that provide an array of services to low-income and/or special populations, with a focus on medical and/or dental care. The clinics are generally located in geographic areas where there is a shortage of health professionals, including inner cities, industrialized areas, and rural regions of the state.

In addition to providing health care services, the community clinics also coordinate services with other state programs, such as the Basic Health Plan and Department of Social and Health Services' Divisions of Developmental Disabilities and Mental Health, and Medical Assistance Administration.

According to the latest verifiable figures from those clinics (1997), the clinics provided service to more than 250,000 medical clients and 94,000 dental clients. Just under 70 percent of these people had incomes below the federal poverty level.

## Patients served by Community Clinics in 1997

Clinic Name	Medical	Dental
Clallam Bay Medical Clinic	829	N/A
Clallam-Jefferson Community Action Council	N/A	548
Columbia Basin Health Association	10,023	2,474
Columbia Valley Community Health Services	7,766	2,723
Community Care Program, St. Peter's	570	2,122
Community Clinics of Pierce County	896	N/A
Community Health Association of Spokane	3,306	2,118
Community Health Care	13,379	6,834
Community Health Center La Clinica	14,134	4,778
Community Health Centers of King County	16,803	6,432
Community Health Centers of Snohomish County	9,250	6,287
Country Doctor Community Health Centers	10,404	366
Cowlitz County Health Department	N/A	39
Cowlitz Family Health Center	1,368	N/A
Family Health Centers	7,587	1,893
45 <sup>th</sup> Street Clinic	6,883	1,811
International Community Health Services	5,020	1,014
Kitsap Community Health Centers	4,064	1,199
Moses Lake Community Health Center	10,198	4,115
N.E.W. Health Programs	7,636	1,423
North Whidbey Community Clinic	1,066	256
The Opportunity Council	2,332	2,398
Pike Market Medical Clinic	3,611	224
Pioneer Square Clinic	2,999	748
Providence Health & Education Center	3,005	232
Puget Sound Neighborhood Health Centers	8,105	11,855
Sea Mar Community Health Centers	27,655	12,498
Seattle Indian Health Board	4,738	2,216
Southwest Washington Health District	N/A	1,778
West Coast Community Clinics	4,694	132
Yakima Neighborhood Health Services	15,362	2,054
Yakima Valley Farmworkers Clinic	47,004	13,911
<b>TOTAL</b>	<b>250,687</b>	<b>94,478</b>

Some of the populations targeted to receive clinic services include:

- ◆ Migrant seasonal farmworkers
- ◆ People with HIV/AIDS
- ◆ People with developmental disabilities
- ◆ Homeless
- ◆ Elderly
- ◆ Refugees
- ◆ Minority populations
- ◆ People in need of mental health services or chemical dependency treatment
- ◆ Low-income people living in underserved, geographically isolated areas

The largest non-English native language group to receive clinic services is the Hispanic population, which represents 42 percent of the total population served. Another 42 percent of the population is listed as Caucasian, 5 percent African American, 5 percent Asian/Pacific Islander, 3 percent Native American, and 3 percent listed as "other."

# Financial Fitness

## Statement of revenues, expenses, and fund balance

1995-97 Actuals	PEBB*	BHP Non-Subsidized	BHP Subsidized	Primary Health Care	Health Care Planning	Total Customer Lines
<b>Revenues</b>						
Premium Charges/Other	\$914,570,486	\$30,153,041	\$ 34,069,082	\$ -	\$ -	\$ 978,792,609
Direct Appropriations	-	-	241,420,000	12,408,866	2,236,177	256,065,043
Underspend of Appropriations	-	-	(8,091,843)	(27,623)	(789,898)	(8,909,364)
<b>Total Revenues</b>	<b>914,570,486</b>	<b>30,153,041</b>	<b>267,397,239</b>	<b>12,381,243</b>	<b>1,446,279</b>	<b>1,225,948,288</b>
<b>Expenditures</b>						
Life/LTD Benefits	9,056,830	-	-	-	-	9,056,830
Dental Benefits	115,111,056	-	-	-	-	115,111,056
Medical Benefits	774,242,049	27,227,956	244,157,505	-	-	1,045,627,510
<b>Subtotal Benefits</b>	<b>898,409,935</b>	<b>27,227,956</b>	<b>244,157,505</b>	<b>-</b>	<b>-</b>	<b>1,169,795,396</b>
Community Clinics Grants	-	-	-	11,926,679	-	11,926,679
Administration	14,216,309	1,910,385	23,265,467	454,564	1,446,279	41,293,004
<b>Total Expenditures</b>	<b>912,626,244</b>	<b>29,138,341</b>	<b>267,422,972</b>	<b>12,381,243</b>	<b>1,446,279</b>	<b>1,223,015,079</b>

1997-99 Budget	PEBB*	BHP Non-Subsidized	BHP Subsidized	Primary Health Care	Health Care Planning	Total Customer Lines
<b>Revenues</b>						
Premium Charges/Other	\$1,022,920,493	56,334,000	73,704,157	-	-	1,152,958,650
Appropriations/Allocations	-	-	332,131,713	12,646,770	2,158,193	346,936,676
<b>Total Revenues</b>	<b>1,022,920,493</b>	<b>56,334,000</b>	<b>405,835,870</b>	<b>12,646,770</b>	<b>2,158,193</b>	<b>1,499,895,326</b>
<b>Expenditures</b>						
Life/LTD Benefits	10,187,132	-	-	-	-	10,187,132
Dental Benefits	138,163,612	-	-	-	-	138,163,612
Medical Benefits	882,354,554	49,532,577	382,384,901	-	-	1,314,272,032
<b>Subtotal Benefits</b>	<b>1,030,705,298</b>	<b>49,532,577</b>	<b>382,384,901</b>	<b>-</b>	<b>-</b>	<b>1,462,622,776</b>
Community Clinics Grants	-	-	-	11,985,017	-	11,985,017
Agency/Broker Commissions	-	-	270,000	-	-	270,000
Enrollee Recertification	-	-	330,000	-	-	330,000
Administration	14,034,468	2,942,940	22,768,089	661,753	2,158,193	42,565,443
<b>Total Expenditures</b>	<b>1,044,739,766</b>	<b>52,475,517</b>	<b>405,752,990</b>	<b>12,646,770</b>	<b>2,158,193</b>	<b>1,517,773,236</b>

\*Includes the Uniform Medical Plan

1997-99 Admin. as percent of Total Expenditures	PEBB*	BHP Non-Subsidized	BHP Subsidized	Primary Health Care	Health Care Planning	Total Customer Lines
	1.3%	5.6%	5.6%	5.2%	100.0%	2.8%

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For additional copies of this report, or if you have questions/comments, please contact Barbara Bauman, at (360) 923-2775 or by e-mail at [bbau107@hca.wa.gov](mailto:bbau107@hca.wa.gov).

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